

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  ATMOS ENERGY CORPORATION	DOCKET NO. TF-03-214
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**ORDER APPROVING TARIFF**

(Issued August 27, 2003)

On June 19, 2003, Atmos Energy Corporation (Atmos) filed with the Utilities Board (Board) a proposed tariff establishing a new rate schedule for very large transportation customers with an effective date of September 1, 2003. The large volume customers would be required to execute a contract, as is required of all transportation customers. The rate schedule adjusts the second tier block rate to \$.0080 per therm for volumes of 500,001 to 2,000,000 therms and adjusts the tail block rate to \$.0010 per therm for volumes over 2,000,000 therms. The proposed tariff was developed based upon negotiations with Roquette America, Inc. (Roquette), and Roquette is the only current customer that will meet the volume requirements of the proposed rate. The proposed tariff has been identified as Docket No. TF-03-214. There have been no objections filed to the proposed tariff.

Atmos stated that it entered into negotiations with Roquette to provide natural gas service to a cogeneration facility Roquette is constructing. Existing Atmos distribution facilities were not sufficient to serve the additional load needed for the cogeneration facility. The Board approved a pipeline permit for Atmos to provide natural gas service to the cogeneration facility in Docket No. P-851 on May 15, 2003.

On December 26, 2002, in Docket No. WRU-02-44-3676, the Board approved a waiver for Roquette to build the cogeneration facility.

The Board will approve the proposed tariff to be effective September 1, 2003.

Although the proposed rates will initially result in a decrease in overall revenue under the tariffed rates, it was understood that Roquette would bypass the Atmos system if no agreement was reached on constructing the pipeline and the rates to be charged.

The Board finds that it is in the best interest of Atmos and its customers to retain Roquette on the Atmos system, as the tariff will do.

**IT IS THEREFORE ORDERED:**

The proposed tariff filed by Atmos Energy Corporation on June 19, 2003, is approved, effective September 1, 2003.

**UTILITIES BOARD**

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 27<sup>th</sup> day of August, 2003.